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BEFORE THE  
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34448

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TRANSPORTATION BOARD



ALLEGHENY & EASTERN RAILROAD, LLC  
- ACQUISITION -  
BUFFALO & PITTSBURGH RAILROAD, INC.

VERIFIED NOTICE UNDER 49 U.S.C. §10901

ERIC M. HOCKY  
GOLLATZ, GRIFFIN & EWING, P.C.  
Four Penn Center  
Suite 200  
1600 John F. Kennedy Blvd.  
Philadelphia, PA 19103-2808  
(215) 563-9400

Dated: December 22, 2003

Attorneys for  
Allegheny & Eastern Railroad, LLC and Buffalo &  
Pittsburgh Railroad, Inc.

STB FINANCE DOCKET NO. 34448

**ALLEGHENY & EASTERN RAILROAD, LLC  
- ACQUISITION -  
BUFFALO & PITTSBURGH RAILROAD, INC.**

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**VERIFIED NOTICE UNDER 49 U.S.C. §10901**

This Verified Notice is filed pursuant to 49 C.F.R. §1150.31 by Allegheny & Eastern Railroad, LLC, a non-carrier, to exempt from regulation under 49 U.S.C. §10901, its acquisition from its corporate affiliate, Buffalo & Pittsburgh Railroad, Inc. ("BPRR") of the physical assets comprising the operating lines of railroad (the "Rail Lines") formerly operated by Allegheny & Eastern Railroad, Inc.<sup>1</sup> BPRR will retain the operating authority over the Rail Lines; Allegheny & Eastern Railroad, LLC will have residual common carrier authority only. The Rail Lines are located in Pennsylvania. The total mileage of the Rail Lines to be acquired is approximately 128.2 miles.

Allegheny & Eastern Railroad, LLC is a newly formed wholly-owned subsidiary of BPRR formed for the sole purpose of holding the assets comprising the Rail Lines. This structure will help to preserve certain favorable and funding arrangements.

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<sup>1</sup> BPRR is acquiring the Rail Lines as part of an intra-corporate merger in which Allegheny & Eastern Railroad, Inc. is being merged with and into BPRR. *See Buffalo & Pittsburgh Railroad, Inc., Allegheny & Eastern Railroad, Inc., Pittsburg & Shawmut Railroad, Inc. and Bradford Industrial Rail, Inc. - Corporate Family Merger Transaction Exemption*, STB Finance Docket No. 34447, being filed concurrently with this Notice.

### **Notice**

In accordance with 49 C.F.R. §1150.33, Allegheny & Eastern Railroad, LLC

hereby states as follows:

(a) The full name and address of Applicant are:

Allegheny & Eastern Railroad, LLC  
1200-C Scottsville Rd., Ste. 200  
Rochester, NY 14624

(b) The name, address and telephone number of the representative of Allegheny & Eastern Railroad, LLC who should receive correspondence are: Eric M. Hocky, Esquire, Gollatz, Griffin & Ewing, P.C., Four Penn Center, Suite 200, 1600 John F. Kennedy Blvd., Philadelphia, PA 19103-2808, (215) 563-9400.

(c) Prior to the transaction, BPRR and Allegheny & Eastern Railroad, LLC will enter into a Contribution Agreement under which BPRR will contribute the physical assets comprising the Rail Lines to Allegheny & Eastern Railroad, LLC in return for membership interests in Allegheny & Eastern Railroad, LLC.

(d) The operator of the Rail Lines as of the time of the transaction will be BPRR.

(e) Brief Summary of the Proposed Transaction:

To preserve certain favorable funding arrangements, BPRR is contributing the physical assets comprising Rail Lines to newly formed non-carrier, Allegheny & Eastern Railroad, LLC. As a result of the transaction, Allegheny & Eastern Railroad, LLC will become the owner of assets comprising the Rail Lines, but BPRR will conduct all of the rail operations over the Rail Lines.

(1) The name and address of the railroad "transferring" the Rail Lines are: Buffalo & Pittsburgh Railroad, Inc.. It has the same address as Allegheny & Eastern Railroad, LLC. *See* paragraph (a) above.

(2) Allegheny & Eastern Railroad, LLC expects to have the assets comprising the Rail Lines contributed to it effective 12:01 A.M. on January 1, 2004.

(3) The Rail Lines are comprised of all of the rail lines that were formerly owned and operated by Allegheny & Eastern Railroad, Inc., as described on Exhibit A.<sup>2</sup> The Rail Lines are located in Erie, Warren, McKean and Elk Counties, Pennsylvania.

(4) The total mileage to being acquired is approximately 128.2 miles.

(f) Attached as Exhibit B to this Notice of Exemption is a map of the Rail Line.

(g) Allegheny & Eastern Railroad, LLC will not be an operating entity, and certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III carrier.<sup>3</sup>

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<sup>2</sup> Allegheny & Eastern Railroad, LLC is *not* acquiring any of the assets comprising the line of railroad which is in the process of being abandoned, subject to public use and interim trail use conditions. *See Allegheny & Eastern Railroad, Inc. - Abandonment Exemption - In Elk and Cameron Counties, PA*, Docket No. AB-854(X) (between M.P. 131.1 in the City of St. Marys and M.P. 149.1 in the Borough of Emporium).

<sup>3</sup> Allegheny & Eastern Railroad, LLC additionally certifies that its projected revenues will not exceed \$5,000,000 per year.

### **Environmental and Historic Reports**

Pursuant to 49 C.F.R. §1105.6(c)(2), no environmental documentation is required because this proceeding involves authority for an acquisition under 49 U.S.C. §10901 for continued operations that will not exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5).

No historic report under 49 C.F.R. §1105.8(b)(1) is required because the transaction merely involves an acquisition for continued rail operations, and further Board approval is required to discontinue or abandon any service. Allegheny & Eastern Railroad, LLC has no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older.

### **Labor Protection**

Pursuant to 49 U.S.C. §10901(e), approval of this transaction may not be subjected to labor protection conditions.

**Caption Summary**

Attached hereto as Exhibit C is the caption summary required by 49 C.F.R.

§1150.34.

Respectfully submitted,



ERIC M. HOOKY  
GOLLATZ, GRIFFIN & EWING, P.C.  
Four Penn Center  
Suite 200  
1600 John F. Kennedy Blvd.  
Philadelphia, PA 19103-2808  
(215) 563-9400


Dated: December 22, 2003

Attorneys for  
Allegheny & Eastern Railroad, LLC and Buffalo &  
Pittsburgh Railroad, Inc.

**VERIFICATION**

I, David J. Collins, Manager, of Allegheny & Eastern Railroad, LLC,  
verify under penalty of perjury that the foregoing is true and correct. Further, I certify  
that I am qualified and authorized to file the foregoing document.

Executed on December 22, 2003.

  
\_\_\_\_\_  
David J. Collins

**DESCRIPTION OF RAIL LINES**

**EXHIBIT A**



**Description of Rail Lines Being Acquired**

Between M.P. 2.8 in the City of Erie, Erie County, Pennsylvania and M.P. 131.0 located in the City of St. Marys, Elk County, Pennsylvania, together with all yards, sidings and industrial tracks.

**MAP**

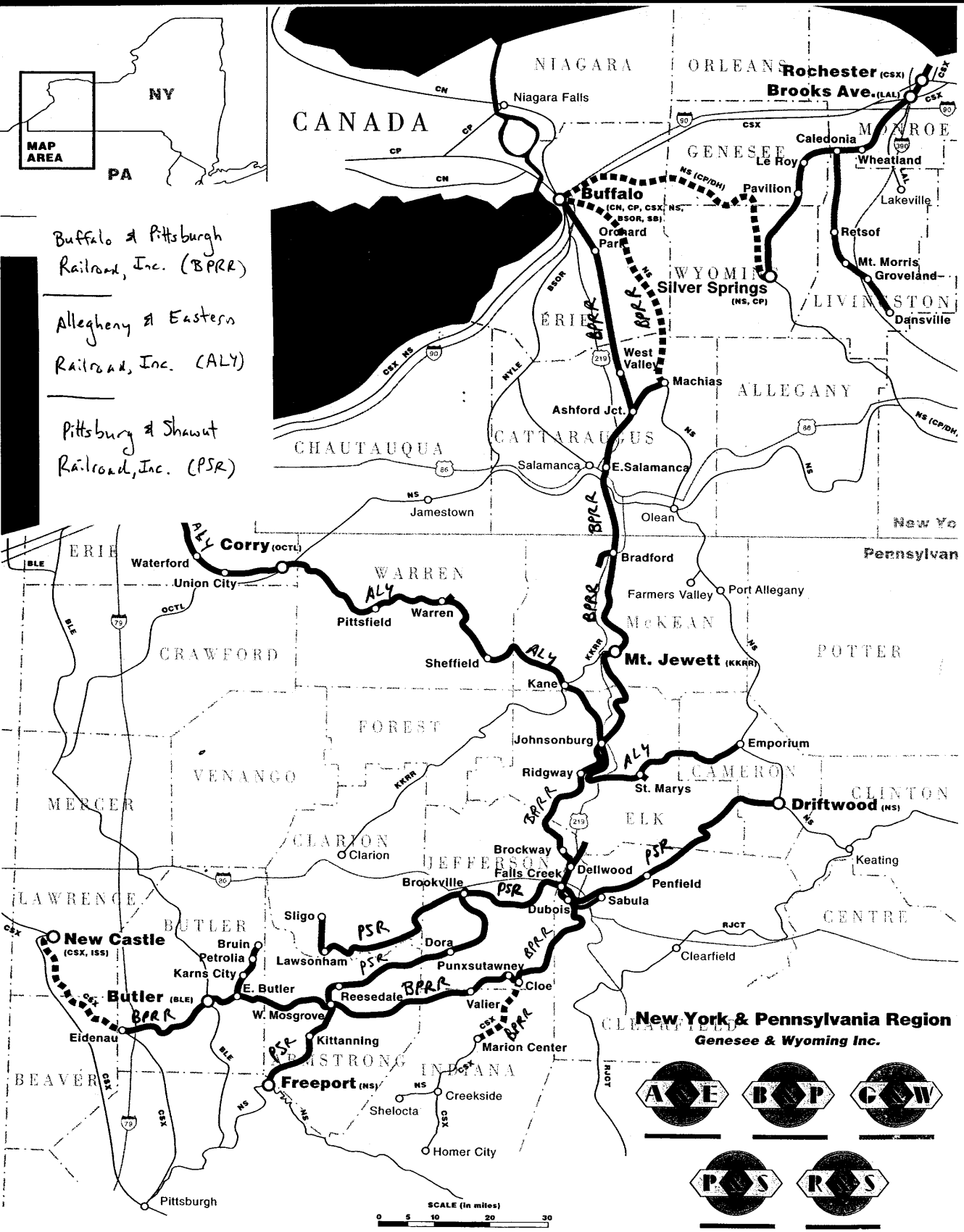
**EXHIBIT B**



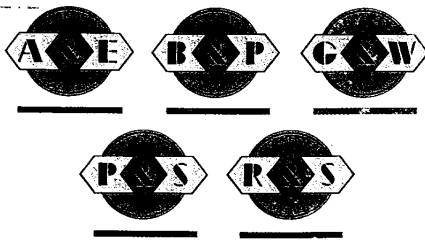
Buffalo & Pittsburgh  
Railroad, Inc. (BPRR)

Allegheny & Eastern  
Railroad, Inc. (ALY)

Pittsburg & Shawmut  
Railroad, Inc. (PSR)



New York & Pennsylvania Region  
Genesee & Wyoming Inc.



**CAPTION SUMMARY**

**EXHIBIT C**

BEFORE THE  
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34448

**ALLEGHENY & EASTERN RAILROAD, LLC  
- ACQUISITION EXEMPTION -  
BUFFALO & PITTSBURGH RAILROAD, Inc.**

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Allegheny & Eastern Railroad, LLC, a non-carrier has filed a Notice of Exemption to acquire (but not operate) the physical assets that comprise approximately 128.2 miles of rail lines that will be owned by its affiliate Buffalo & Pittsburgh Railroad, Inc. at the time of the transaction. The rail lines run between M.P. 2.8 in the City of Erie, and M.P. 131.0 located in the City of St. Marys, in Erie, Warren, McKean and Elk Counties, Pennsylvania. Allegheny & Eastern Railroad, LLC is a newly formed wholly owned subsidiary of Buffalo & Pittsburgh Railroad, Inc. In a related transaction, Allegheny & Eastern Railroad, Inc. will be merged with and into Buffalo & Pittsburgh Railroad, Inc. *See Buffalo & Pittsburgh Railroad, Inc., Allegheny & Eastern Railroad, Inc., Pittsburg & Shawmut Railroad, Inc. and Bradford Industrial Rail, Inc. - Corporate Family Merger Transaction Exemption*, STB Finance Docket No. 34447. As a result of the merger, BPRR will become the owner and operator of the rail lines. For financing purposes, the physical assets comprising the rail lines will be transferred to Allegheny & Eastern Railroad, LLC, with BPRR retaining the operating authority.

Comments must be filed with the Board and served on Allegheny & Eastern Railroad, LLC's representative, Eric M. Hocky, Esquire, Gollatz, Griffin & Ewing, P.C., Four Penn Center, Suite 200, 1600 John F. Kennedy Blvd., Philadelphia, PA 19103-2808, (215) 563-9400.

As noted above, this Notice is related to the intra-corporate family merger transaction that is the subject of the exemption filing in STB Finance Docket No. 34447.

The Notice is filed under 49 C.F.R. §1150.31. If the Notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. §10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.